

Wage and Hour Division, Labor

§ 779.240

Enterprise engaged in commerce or in the production of goods for commerce means an enterprise which has employees engaged in commerce or in the production of goods for commerce, including employees handling, selling or otherwise working on goods that have been moved in or produced for commerce by any person * * *.

In order for an enterprise to come within the coverage of the Act, it must, therefore, be established that the enterprise has some employees who are:

(a) Engaged in commerce or in the production of goods for commerce, including

(b) Employees handling, selling or otherwise working on goods that have been moved in or produced for commerce by any person.

The legislative history of the 1966 amendments does not indicate a difference between the meaning of the above wording and the wording used in the prior Act. (See § 779.22.) For a complete discussion of the employees who come within the quoted language see subpart B of the Interpretative Bulletin on general coverage, part 776 of this chapter.

§ 779.238 Engagement in described activities determined on annual basis.

As set forth in the preceding section an enterprise to be a "covered enterprise" must have at least some employees engaged in certain described activities. This requirement will be determined on an annual basis in order to give full effect to the intent of Congress. Thus, it is not necessary that the enterprise have two or more employees engaged in the named activities every week. An enterprise described in section 3(s)(1) or (5) of the prior Act or in section 3(s)(1) of the Act as it was amended in 1966 will be considered to have employees engaged in commerce or in the production of goods for commerce, including the handling, selling or otherwise working on goods that have been moved in or produced for commerce by any person, if during the annual period which it uses in calculating its annual sales for purposes of the other conditions of these sections, it regularly and recurrently has at least two or more employees engaged in such activities. On the other hand, it is

plain that an enterprise that has employees engaged in such activities only in isolated or sporadic occasions, will not meet this condition.

§ 779.239 Meaning of "engaged in commerce or in the production of goods for commerce."

The term "engaged in commerce or in the production of goods for commerce," as used in section 3(s) of the Act in reference to employees who are so engaged is the same as the term which has been used in the Act for many years. The statutory definitions of these terms are set forth in §§ 779.12 through 779.16. The interpretative bulletin on general coverage part 776 of this chapter) contains the Division's interpretations as to which employees are "engaged in commerce or in the production of goods for commerce." These interpretations are equally applicable under section 3(s) in determining which employees are "engaged in commerce or in the production of goods for commerce" within the meaning of this section. A brief discussion of the guiding principles of retail or service establishments are "engaged in commerce or in the production of goods for commerce" is set forth in subpart B of this part.

EMPLOYEES HANDLING, SELLING, OR OTHERWISE WORKING ON GOODS THAT HAVE BEEN MOVED IN OR PRODUCED FOR COMMERCE BY ANY PERSON

§ 779.240 Employees "handling * * * or otherwise working on goods."

(a) "*Goods*" upon which the described activities are performed. Employees will be considered to be handling, selling, or otherwise working on goods within the meaning of section 3(s) if they engage in the described activities on "goods" which "have been moved in or produced for commerce by any person." They may be handling or working on such goods which the enterprise does not sell. The term "goods" is defined in section 3(i) of the Act. The definition is explained in § 779.107 and discussed comprehensively in part 776 of this chapter. As defined in section 3(i) of the Act, the term includes any part or ingredient of "goods" and, in general, includes "articles or subjects of commerce of any character." Thus the